

Phillips County FSA News

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Newsletter No. 08-01

January, 2008

CROP DISASTER PROGRAM

If you had crops that were insured by crop insurance or you had a Noninsured Assistance Program (NAP) policy on non-insurable crops for 2005, 2006, or 2007, you may be eligible to apply for the 2005-2007 Crop Disaster Program benefits. Previously only those 2007 crops planted before February 28, 2007 were eligible. The regulations have changed and now all 2007 crops are eligible. If you have not applied for these program benefits and think you are eligible, please call the office so that we can review the program with you and possibly set up an appointment to meet with you.

LIVESTOCK COMPENSATION PROGRAM 2005-2007

This program benefits producers' who suffered feed losses or incurred additional feed costs directly resulting from natural disasters occurring between January 1, 2005 and February 28, 2007. Livestock producers may elect to receive compensation for losses in any one of the years 2005, 2006, or 2007. If you think you may qualify as a livestock producer call the Farm Service Agency to set up an appointment.

LIVESTOCK INDEMNITY PROGRAM 2005-2007

To receive benefits under this program the producer must have lost livestock due to a natural disaster condition that occurred between January 1, 2005 and February 28, 2007, including losses because of blizzards that started in 2006 and continued into January 2007. For more information on this program call the Farm Service Agency.

COUNTY COMMITTEE ELECTION RESULTS

Congratulations to Mark Gueck! Mark was elected to represent farmers from Phillips County on the county committee. Mark was elected to his third consecutive term. FSA appreciates all of the voters for taking the time to complete the election ballot. The county committee system works only because of your participation.

FOREIGN BUYERS NOTIFICATION

The Agricultural Foreign Investment Disclosure Act requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. The Farm Service Agency administers this program for USDA.

Foreign persons who have purchased or sold agricultural land in the county are required to report the transaction to FSA within 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, Realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

CONTROLLED SUBSTANCE

Any person who is convicted under federal or state law of a controlled substance violation could be ineligible for USDA payments or benefits. Violations include planting, harvesting or growing a prohibited plant. Prohibited plants include marijuana, opium, poppies and other drug producing plants.

SPECIAL ACCOMMODATIONS

Special accommodations will be made upon request for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, individuals should contact the county FSA office staff directly or by phone.

POWER OF ATTORNEY

For those who find it difficult to visit the county office personally because of work schedules, distance, health, etc., FSA has a power of attorney form available that enables you to designate another person to conduct your business at the office. If you are interested, please contact your local Farm Service Agency office for more information. If you want a crop loan, a power of attorney form will need to be completed for husband and wife if both do not come into the office to sign the forms on the day the loan is disbursed.

EMERGENCY LOANS AVAILABLE

Farmers who suffered significant damage due to severe weather in 2007 may be eligible for low-interest emergency loans from the Farm Service Agency. These loans carry an interest rate of 3.75 percent.

- **Production Losses.** Eligible farmers can also use emergency loan funds to recover a portion of losses on growing crops that were destroyed.
- **Physical Losses.** Eligible farmers can use emergency loan funds to repair or rebuild essential farm buildings, clean debris or prepare land for replanting, and to replace livestock, supplies and harvested crops on hand or in storage that were lost.

YOUTH LOANS

FSA makes operating loans to individual rural youths age 10 through 20 to establish and operate income producing projects. These projects must be of modest size and be initiated, developed, carried out by rural youths participating in 4-H Clubs, FFA, or a similar organization or with a vocational teacher or county extension agent. The project must be an organized and supervised program of work. It must be planned and operated with the assistance of the organization advisor, produce sufficient income to repay the loan, and provide the youth with practical business and educational experience. Contact your local FSA office for more details.

Look on the next page for more Farm Loan Information!

PROGRAM	MAXIMUM LOAN AMOUNT	RATES AND TERMS	USE OF PROCEEDS
Direct Farm Ownership	\$200,000	<ul style="list-style-type: none"> Up to 40 years Rates based on Agency borrowing costs Temporary limited resource interest rates are available for those unable to repay at regular rates <ul style="list-style-type: none"> Interest rate 5% if 50% of loan amt. provided by other lender 	Purchase land Construct buildings or other improvements Soil and water conservation
Beginning Farmer Down Payment Farm Ownership	Lesser of: 40% purchase price or appraised value	<ul style="list-style-type: none"> Term: 15 year Interest rate: 4% 10% of Purchase Price 	Purchase farm or ranch
Direct Operating	\$200,000	<ul style="list-style-type: none"> From 1 to 7 years Rates based on Agency borrowing cost Temporary limited resource interest rates are available for those unable to repay at regular rates 	Purchase livestock, poultry, equipment, feed, seed, farm chemicals, and supplies Soil and water conservation Refinancing indebtedness with certain limitations
Direct Emergency	100% actual physical losses or \$500,000 maximum program indebtedness	<ul style="list-style-type: none"> From 1 to 7 years for non-real estate purposes Up to 40 years for physical losses on real estate Interest rate: 3.75% 	Restore or replace essential property Pay all or part of production costs associated with the disaster year Pay essential family living expenses Reorganize the farming operation Refinancing indebtedness with certain limitations
Guaranteed Operating	\$949,000 (Amount adjusted annually for inflation)	<ul style="list-style-type: none"> From 1 to 7 years Rates not to exceed those lenders charge average farm customers Interest rate reduction of 4% available for those unable to repay at regular rates (with certain limitations) 	Same as Direct Operating except loan may be used to refinance debts
Guaranteed Farm Ownership	\$949,000 (Amount adjusted for inflation)	<ul style="list-style-type: none"> Up to 40 years Rates not to exceed those lenders charge average farm customers 	Same as Direct Farm Ownership except loan may be used to refinance debts

FARM LOAN INFORMATION

Socially Disadvantaged Applicant (SDA). An applicant who is a member of a socially disadvantaged group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as a member of a group, without regard to their individual qualities. For entity SDA applicants, the majority interest in the entity must be held by socially disadvantaged individuals. The Agency has identified socially disadvantaged groups as Women, Blacks, American Indians, Alaskan Natives, Hispanics, Asians, and Pacific Islanders. Revised 11-17-03, FSA PN Issue No. 178.)

Beginning Farmer or Rancher:
A beginning farmer or rancher is an individual or entity who (1) has not operated a farm or ranch for more than 10 years; (2) meets the loan eligibility requirements of the program to which he/she is applying; (3) substantially participates in the operation; and (4) for FO loan purposes, does not own a farm greater than 30 percent of the average size farm in the county. (Note: all applicants for direct FO loans must have participated in business operation of a farm for at least 3 years.) If the applicant is an entity, all members must be related by blood or marriage, and all stockholders in a corporation must be eligible beginning farmers.

BANK ACCOUNT CHANGES

Current policy mandates that FSA payments be electronically transferred into your bank account. In order for timely payments to be made, producers need to notify the FSA County Office staff if your account has been changed or if another financial institution purchases your bank. Payments can be delayed if the FSA office is not aware of updates to your account and routing numbers.

SPOUSAL SIGNATURES

Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse.

APPEAL PROCESS

After an FSA official makes a decision on your request for USDA services or application, you will be sent a letter informing you of the decision and options you can pursue if you disagree.

Generally, program participants have three choices — an informal review with the original agency decision-maker, an opportunity for mediation and finally an appeal to the next level of authority within the agency.

CUSTOMER STATEMENT

January signals the beginning of a new year, and a time to gather financial records and start thinking about filling out a 1040. Producers who have signed up for a USDA eAuthentication Level 2 account will be able to access their farm data via their Customer Statement.

The Customer Statement puts a range of USDA services and programs into a single report that's at your fingertips and available online, 24 hours a day, seven days a week. It allows USDA customers to view their participation, application and payment status in various commodity and conservation programs; information on farm loans; and conservation plan and land unit information.

AG CENSUS FORMS DUE FEB 4TH

The National Agricultural Statistics Service (NASS) began distribution of the 2007 Census of Agriculture last month and completed forms are due by February 4, 2008. Producers can return their forms by mail or, for the first time, they have the convenient option of filling out the Census online via a secure web site at <http://www.agcensus.usda.gov/>.

Conducted every five years by the U.S. Department of Agriculture, the Census is a complete count of the nation's farms and ranches and the people who operate them. According to NASS, the Census of Agriculture provides information that is not available elsewhere. The last Ag Census was conducted in 2002.

The Census looks at land use and ownership, operator characteristics, production practices, income and expenditures and other topics. It provides the only source of uniform, comprehensive agricultural data for every county in the nation. Policy-makers use Census data for decisions concerning agricultural and rural programs. Community planners use Census information to target delivery of local services. Companies rely on Census data when determining where to locate their operations.

UNAUTHORIZED DISPOSITION OF GRAIN UNDER LOAN

If grain under loan has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the FSA County Office it is considered a shortage. Any shortage discovered is considered UNAUTHORIZED DISPOSITION and the case has to be sent to the State Office for referral to the Office of Investigative General for determination of investigation. The financial penalties are severe and the producers name will be placed on a loan violation list for a two-year period. **Always** call the office before grain under loan is fed, sold, or moved.

POLICY REMINDER

CRP participants on land enrolled on or after October 13, 1994, must be in compliance with the Federal Crop Insurance Reform Act to remain eligible for participation. This means that if you have CRP on your farm and have other cropland where you have an insurable crop planted on the cropland you must obtain at least the catastrophic level of insurance for the crop or have a FSA-570 waiver on file in the county office that waives eligibility for emergency crop loss assistance in connection with the crop.

FARM STORAGE FACILITY LOANS

Low cost loans for storage facilities are available for producers to build or remodel farm storage facilities for a variety of commodities, including wheat, grain sorghum, soybeans and corn.

The seven-year Farm Storage Facility Loans are available for the purchase and installation of eligible storage facilities, permanently affixed drying or handling equipment, or remodeling existing facilities. Eligible facilities include new conventional-type cribs or bins and new and remanufactured oxygen-limiting and other upright silo-type structures.

All Farm Storage Facility Loans are secured by a promissory note and security agreement. The maximum amount that may be borrowed is 85 percent of the net cost of the storage or handling equipment, up to \$100,000 for each borrower. A minimum down payment is also required. For details, contact the county office staff.

ARE YOU IN COMPLIANCE WITH HEL PROVISIONS?

Federal regulations discourage the production of crops on highly erodible cropland unless the land is protected from erosion by an approved conservation system. Status reviews are conducted to ensure producers follow a conservation plan on highly erodible land. Before you tear out any sod or enhance any noncropland contact your local Farm Service Agency so that we can help you stay in compliance.

In addition to the highly erodible land, a person may not plant an agricultural commodity on any wetland converted after Dec. 23, 1985, or convert a wetland to make agricultural production possible after Nov. 28, 1990.

Failure to comply with these provisions will cause a person to be ineligible for USDA benefits. County Committees may review noncompliance situations for good faith and provide relief in approved cases.

IMPORTANT DATES TO REMEMBER

February 18, 2008	President's Day-Office Closed
May 26, 2008	Memorial Day Observed-Office Closed
July 4, 2008	Independence Day Observed-Office closed
Disaster Signup	Continuing

COC Meeting Dates

The Phillips County FSA County Committee meets at 8:30 A. M. on the second Wednesday of each month at the U.S.D.A. Service Center conference room.

OFFICE HOURS

8:00 A.M. TO 4:00 P.M. - MONDAY THROUGH FRIDAY

Special accommodations will be made, upon request, for any individual with disabilities, vision impairment, or hearing impairment. If special accommodations are needed, please contact County Executive Director, Ron Koberstein, at (970) 332-3107 Ext. 2.

Ronald Koberstein, County Executive Director

The United States Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact the USDA's TARGET Center at 202-720-2600 (voice and TDD).

"To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 TDD). USDA is an equal opportunity provider and employer."

United States Department of Agriculture
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